

**REGULAR STATE BANKING BOARD MEETING
OFFICE OF THE COMMISSIONER
DEPARTMENT OF FINANCIAL INSTITUTIONS
2000 SCHAFER STREET, SUITE G
BISMARCK, NORTH DAKOTA**

March 8, 2012

The regular meeting of the State Banking Board was held in the Office of the Commissioner, Department of Financial Institutions, 2000 Schafer Street, Suite G, Bismarck, North Dakota. Chairman Entringer called the meeting to order at 9:03 a.m., Thursday, March 8, 2012.

MEMBERS PRESENT: Robert J. Entringer, Chairman (*Office*)
Nancy Baerwald, Member (*Cando*)
Linda Beall, Member (*Velva*)
Bill Daniel, Member (*Bismarck*)
Kim Larson, Member (*Casselton*)
Roger Monson, Member (*Fargo*)
Anita Quale, Member (*Watford City*)

MEMBERS ABSENT: None

ALSO PRESENT: Aaron K. Webb, Assistant Commissioner (*Office*)
Lise Kruse, Chief Examiner – Banks (*Fargo*)
Suzette Richardson, Administrative Staff Officer (*Office*)
Janilyn Murtha, Assistant Attorney General (*Office*)

APPROVAL OF MINUTES

Chairman Entringer indicated the Board received copies of the minutes of the regular meeting held on January 12, 2012.

It was moved by Member Daniel, seconded by Member Quale, and unanimously carried by voice vote to approve the January 12, 2012, minutes as presented.

ITEMS TO BE NOTED

Chairman Entringer indicated that Dakota Western Bank, Bowman, and Choice Financial Group, Grafton, received prior approval by the Board to invest in a subsidiary to hold other real estate; however, the investment did not occur because of a failure in negotiations.

Chairman Entringer indicated on February 17, 2012, he approved, as Commissioner, the application by State Bank & Trust, Fargo, to establish an interstate branch at 5500 Wayzata Boulevard, Suite 140, Golden Valley, MN.

FIRST INTERNATIONAL BANK & TRUST, WATFORD CITY

Chairman Entringer indicated the Board previously approved the request by First International Bank & Trust, Watford City, to purchase residential property in Williston not to exceed \$300,000; however, the bank is now requesting the amount be amended to not exceed \$400,000.

It was moved by Member Baerwald, seconded by Member Monson, and unanimously carried to approve the request by First International Bank & Trust, Watford City, to amend its prior approval to purchase residential property in Williston to an amount not to exceed \$400,000.

BANK BUDGET UPDATE

Chairman Entringer reviewed the January 31, 2012, Organizational Status Report by Summary Account and Source, and indicated he had no items to report at this time.

ANNUAL ASSESSMENT FOR BANK OF NORTH DAKOTA

Chairman Entringer indicated he has not met with Eric Hardmeyer and Tim Porter to review the annual assessment for the Bank of North Dakota. Chairman Entringer indicated that he would ask President Hardmeyer and CFO Porter to be present at the Board's May meeting since the assessments must be approved by the Board at that time.

Chairman Entringer asked if there are any questions regarding the assessment spreadsheet he provided to the Board. Members Larson and Monson indicated they think the proposed assessment schedule is fine. Chairman Entringer indicated he believes the proposed schedule evens out the assessment for all banks.

DEPARTMENT PUBLIC INFORMATION OFFICER

Chairman Entringer indicated that he is the public information officer for the Department. Chairman Entringer explained embezzlement at a state-chartered credit union was discovered and when he was away from the office a reporter for the “Great Plains Examiner” sent emails and voice mails to Department staff and also contacted one State Credit Union Board member.

Chairman Entringer indicated that while each Board member has the right to talk to a member of the press, his request is that if any of the Board members are contacted by a reporter regarding an issue the Department or Board are engaged in, that the calls be referred to him.

The Board went into closed session at 9:14 a.m. to review the Supervisory Reports of Examination pursuant to North Dakota Century Code 6-01-07.1.

Robert J. Entringer, Chairman

Aaron K. Webb, Secretary